

COUNTY OF YORK

MEMORANDUM

DATE: February 28, 2001 (BOS Mtg. 3/6/01)

TO: York County Board of Supervisors

FROM: James O. McReynolds, County Administrator

SUBJECT: Bonded Industrial Access Road Funding – International Center Business Park

Attached to this memorandum is a letter from Richard F. Wilkinson, General Manager of Bulifants, L.P., to Mr. Burgett requesting that York County make application to the Virginia Department of Transportation (VDOT) for Bonded Industrial Access Road funding. The Bonded Industrial Access Road Program provides funding for new road construction to access property where a County desires to have manufacturing, processing and similar types of business investment. This request would fund the construction of approximately 550 linear feet of Bulifants Boulevard identified on the attached maps. Bulifants Boulevard would provide access to a proposed commerce park named International Center Business Park. The Bonded Industrial Access Road Program provides funding for new roads that meet program criteria up to a maximum of \$300,000. An additional \$150,000 is available on a dollar for dollar match basis. In order to qualify for this funding, the governing body must provide a bond or other acceptable surety to VDOT to cover the costs of the road. Additionally, the governing body must assure that right of way and utility relocation will be provided at no cost to VDOT. The surety for the cost of the road must be provided for a five-year period from the date of allocation by the Commonwealth Transportation Board. The County's bond will be forfeited to VDOT in the event that no qualifying industrial facilities are constructed adjacent to the road within five years. If such facilities have been constructed, VDOT will bear the cost of the road. All of these assurances are provided by a resolution from the governing body.

Bulifants, L.P. has agreed to pay for all road construction costs, and has agreed to provide a bond or other surety acceptable to the County for the entire cost of this proposed road for the required five-year period. The Bulifants, L.P. bond or other surety will be payable to the County in the event that VDOT demands payment on the County's bond. Additionally, Bulifants, L.P. will provide all of the necessary right of way and pay for any required utility relocations. Bulifants, L.P. has proffered all of this in the attached letter. Bulifants, L.P. will have to provide the bond/surety to the County as the program regulations prevent them from working directly with VDOT. Therefore, Bulifants, L.P. has agreed to provide surety payable to the County in order to have the County do the same thing for VDOT. The County Attorney has prepared a binding development agreement memorializing these points. A resolution authorizing me to sign the development agreement and the development agreement are attached.

The Office of Economic Development has been working closely with Bulifants, L.P. on developing the International Center Business Park. This property is located off of Mooretown Road in proximity to Route 199 and I-64. The Office of Economic Development feels that this location has very good development potential and would be attractive to quality commercial/industrial prospects. The construction of this roadway

will help open up about a 75-acre tract for commercial and light industrial development. This project has no direct financial burden on the County as Bulifants, L.P. has agreed to provide surety payable to the County for the entire cost of the roadway. Through the Bonded Industrial Access Road Program, Bulifants, L.P. can be reimbursed for all or a portion of their road expenses if they attract qualifying businesses within a five-year period. Qualifying businesses are generally manufacturers. If Bulifants, L.P. does not attract qualifying industrial development by the end of the five-year period, the surety they provide to the County will be utilized to reimburse VDOT. The only potential expenses to the County would be staff time in the Department of Environmental and Development Services if we chose to oversee the bidding and construction of the roadway. The bidding and oversight of the contract can be handled by either VDOT or the County. In most cases, it is more expeditious to have the County administer the contract than VDOT. If we move forward with this project, it will be determined at the appropriate time if the Department of Environmental and Development Services has adequate staff available to oversee the bidding and construction of the roadway. It may also be possible for Bulifants, L.P. to provide professional assistance to relieve the Department of Environmental and Development Services of some of this burden. However, if the Board chooses to execute the resolution, it does not commit York County staff to oversee the bidding and construction of the roadway. That decision would be made at a later date and again would be based on the availability of appropriate staff.

Resolution R01-044 would formally request that the Virginia Department of Transportation provide funding for a Bonded Industrial Access Road for International Center Business Park. This resolution is supported by a development agreement with Bulifants, L.P. that eliminates any financial responsibility from York County for this project. Resolution R01-045 would authorize me to sign the development agreement that protects the County's financial interests regarding this project. As this roadway would significantly enhance our economic development efforts at no cost to the County, I recommend approval of R01-044 and R01-045.

Noel/3317:dbb

Attachments

- Letter to James Burgett from Richard F. Wilkinson, dated February 19, 2001
- Location and Vicinity Map of Bulifants Boulevard
- Development Agreement
- Resolution R01-044
- Resolution R01-045